



24 November 2022

**OMEGA DIAGNOSTICS GROUP PLC**  
**(“Omega” or the “Company” or the “Group”)**

**INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022**

Omega (AIM: ODX), the specialist medical diagnostics company focused on promoting a personalised and functional approach to health and nutrition, announces its unaudited interim results for the six months ended 30 September 2022.

**Operational Highlights:**

- Pivoted the business to focus solely and strategically on the Health and Nutrition diagnostics business (formerly known as Food Intolerance)
- Disposal of loss-making CD4 business for £6.3m completed in July 2022
  - Positive WHO data received for VISITECT® CD4 test
  - Accubio have approved the release from escrow of the full £4.0m deferred consideration
- Automation project delivered, bringing greater laboratory efficiencies and helping to attract new customers
- Lease extension agreed for current premises at Eden Research Park, Littleport
- *My Health Tracker by Omega* app in final stage beta testing

**Financial Highlights:**

- Revenue down by 18% to £3.4m (H1 2021: £4.2m)
- Gross margin decreased to 54.0% (H1 2021: 64.4%)
- Loss before tax of £0.7m (H1 2021: £0.0m)
- Adjusted EBITDA loss<sup>1</sup> of £0.2m (H1 2021: profit £0.4m)
- Loss on discontinued operations £1.4m (H1 2021: £3.4m)
- Gross equity fund raise of £2.2m completed
- Cash balance £2.7m (H1 2021: £4.7m)

<sup>1</sup>Adjusted for exceptional items, amortisation of intangible assets and share based payment charges

**Post period highlights:**

- Initial product range expansion complete, concluding with heads of terms signed for:
  - Development of a bespoke microbiome test
  - Development of a bespoke nutrigenomics test
- *My Health Tracker by Omega* App in final beta testing phase ahead of January 2023 launch
- New all-staff share incentive plan launched to help retain and motivate employees

**Commenting on the results, Simon Douglas, Chairman, said:** *“We are pleased to have executed on our strategic decision to re-align the Group in the period, disposing of the loss-making business in Alva, reducing operating costs and focusing solely on the profitable and cash generative Health and Nutrition business and we are delighted to be notified of the impending release of the full CD4 deferred consideration of £4.0m. We have implemented the plan we set out to shareholders, growing our installed base, introducing our new digital platform and signing two partnership agreements which will expand our product portfolio and drive additional revenue growth. Our plans to create a US market presence will be progressed following the receipt of the remainder of the CD4 sale proceeds.*

*“Whilst we expect a stronger second half, our full year sales will be marginally lower than previously anticipated to reflect the delayed US investment plans. The performance expectations of the remainder of our business remain unchanged and the Group continues to target EBITDA break even this year.”*

**Investor presentation**

Jag Grewal, CEO, and Chris Lea, CFO, will provide a live presentation relating to the Interim Results via the Investor Meet Company platform today at 4:30pm GMT. The presentation is open to all existing and potential shareholders.

Investors can sign up to Investor Meet Company for free and add to meet OMEGA DIAGNOSTICS GROUP PLC via:  
<https://www.investormeetcompany.com/omega-diagnostics-group-plc/register-investor>

The investor presentation will be available later this morning on the Company website:

<https://www.omegadx.com/Investor-Relations/Corporate-Information>

*The information communicated in this announcement is inside information for the purposes of Article 7 of EU Regulation 596/2014.*

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**About Omega**

Omega manufactures and distributes high quality in-vitro diagnostic products for use in hospitals, clinics, laboratories and healthcare practitioners in over 85 countries.

## Chairman's Statement

This period marks the start of an exciting time and a new era for Omega. The new management team has, in a relatively short time, disposed of the Alva site to reduce operating costs, raised additional capital and successfully divested the loss-making CD4 business, re-aligning the Group to allow the Board to exclusively focus on the profitable and cash generative Health and Nutrition business.

In terms of the continuing menu expansion of our diagnostic tests, and in-line with our stated strategy, we were delighted to announce the signing of two successful heads of term agreements after the period end to develop both a bespoke microbiome and nutrigenomic test. For a modest initial outlay, these tests have the potential to generate more than £1m in additional revenue in the year ending 31 March 2024.

We recently began beta testing a mobile application that is available via Apple iPhone and Google Android. The *My Health Tracker by Omega* App is a health and wellbeing tool designed to be used alongside a trained healthcare professional, allowing the patient to receive laboratory test results direct to their smartphone thereby helping the patient make personalised changes to their diet for optimal health. The app is currently in the final beta testing stage, being trialled using our own CNS Lab data, before the planned market launch early in the new year.

The Board has made the sensible and prudent decision to delay the planned investment in the US market until after receipt of the remaining CD4 sale proceeds. We are delighted that Accubio share the Board's view that the CD4 test performs well and that they have now agreed to the release of the full £4.0m held in escrow, rather than wait for the report to be published by the World Health Organization. The Company remains committed to geographical expansion in the US and remains confident for the prospects of future growth in the US food sensitivity testing market, as it is estimated to be the largest and most established market in the world. This model would replicate our CNS Laboratory service direct-to-health-care-professionals, which is growing strongly in the UK this year.

Finally, we launched a new all-employee share incentive plan, 'Omega Diagnostics Group PLC Share Incentive Plan' which has been adopted to support the principles of wider share ownership amongst all the Company's staff, supporting retention and motivation of our employees.

## Financial performance

As previously indicated revenues have been softer than the prior period, down 18% to £3.4m (2021: £4.2m) primarily due to a number of product re-registrations being in process following a significant regulatory-driven technical product change undertaken in May 2022, and variability in the ordering profile of many of the Group's FoodPrint® distributors, including those in the Middle East and North America. The Board confirms its expectation that revenues will be stronger in the second half of the financial year.

### Revenue by product group:

- Sales of FoodPrint® were down 24% to £2.2m (2021: £2.9m)
  - Five new FoodPrint® installations were implemented in the period, with a further two installations implemented since the period end
  - Representation secured in seven territories for the first time, now selling into over 85 countries
  - A new FoodPrint® installation has been agreed for the US, the first new installation in that market for five years
- Sales of Food Detective® were £0.7m, down by 4% from the prior year
  - After a two-year hiatus, the Group's largest partner in China has now re-commenced ordering for delivery in H2, which will support growth into the second part of the financial year.
- CNS Lab sales were up 67% to £0.4m (2021: £0.3m)
  - Due in large part to extensive work with a business partner to better commercialise FoodPrint® direct to consumer, as well as the UK commercial team onboarding 134 new Practitioner accounts in the first half of the financial year.

Gross profit from operations decreased to £1.9m (2021: £2.7m) with a lower gross margin percentage of 54.0% (2021: 64.4%). The reduction in margin principally reflects the lower proportion of the higher margin FoodPrint® tests in the product mix, coupled with lower labour efficiency given the reduced volumes. The Board are confident that margins will improve in H2 as the Company will benefit from improved operational efficiencies going forward.

Overheads reduced by 6% to £2.5m (2021: £2.7m). Despite centralised sales and marketing activities being wholly allocated to Health and Nutrition this year, significant reductions have been achieved in corporate costs. During the period we also restructured our quality assurance and regulatory teams, combining the two functions to reduce costs and better reflect the needs of our new business model.

In order to continually evolve as a business, remain competitive and further improve the customer experience and efficiency, especially for our larger customers, Omega has recently completed the validation processes to allow laboratories to automate their FoodPrint® testing using the Dynex DS2® instrument. This has already allowed our partner in the United Arab Emirates to secure a new three-year contract with the Dubai Health Authority and will allow our larger laboratory customers to process more tests more effectively and efficiently than ever before.

The Group continues to consider EBITDA and adjusted EBITDA (adjusted for exceptional items and share based payment costs) as being the more appropriate measures of profitability which are better aligned with the cash generating activities of the business. The EBITDA for the period was a loss of £0.3m (2021: profit of £0.3m) and the adjusted EBITDA loss was £0.2m (2021: profit of £0.4m).

The cash balance on 30 September 2022 was £2.7m (31 March 2022: £4.7m). The overdraft facility of £2.0m was withdrawn effective 30 September 2022 as previously advised and the current cash balance remains stable at £2.5m. The Company expects to receive the full £4.0m of deferred consideration from the sale of the CD4 business in the very near future.

## **Product Menu Expansion**

As previously set out in the Company's strategic plan, in order to build a wider menu of complementary gut health tests, the Board remains committed to expanding the product menu and post-period end have successfully concluded two partnership agreements for the development of bespoke reports for microbiome and nutrigenomic testing.

The first agreement was announced in October 2022, when the Company signed a heads of terms partnership agreement to commercialise microbiome testing into its existing sales channels. We are working in partnership with our microbiome test provider to develop and commercialise a bespoke report for Omega, utilising the partner's proprietary software and Omega's sales channel, in order to provide a more comprehensive gut health assessment. Understanding the microbiome is the new frontier of understanding chronic inflammatory conditions arising from poor gut health and is an area the Company has recently seen a growing demand from its existing customer base.

The second agreement was secured earlier this month, when the Company signed heads of terms with a leading nutrigenomics software provider to develop and commercialise a bespoke DNA report. Nutrigenomics allows the healthcare professional to understand genetic strengths and weaknesses, helping to identify dietary changes that can help achieve better health.

These two tests require a combined up-front investment of £0.3m which mainly covers the advance purchase of future test reports and these new reports have the potential to generate over £1m in additional revenue in the year ending 31 March 2024.

## **New facility update**

The Company has long planned to relocate to a new, purpose-built facility in Ely, Cambridgeshire, which would improve the manufacturing environment and provide the capacity needed for longer term expansion, however we continue to face unresolved issues with regards to the completion of the building to the agreed standard. The Company has appointed surveyors to identify remedial works and to assist in the re-negotiation of the Agreement for Lease, but it is not certain these issues can be overcome to the Company's satisfaction. Given the funding challenges currently faced by the new landlord and the likely timescale involved, an agreement has been reached with the existing landlord to extend the Littleport lease by two years to June 2025, thus providing sufficient time to resolve the outstanding issues and facilitate an orderly relocation in due course.

## **Discontinued Operations update**

### ***CD4***

Effective 31 July 2022, Omega successfully disposed of its loss-making CD4 business in Alva to Accubio Limited, a wholly-owned subsidiary of Zhejiang Orient Gene Biotech Co. Ltd for up to £6.3m, having concluded that the business would be more successful under new ownership.

Under the terms of the sale the Company received an immediate cash payment of approximately £1.3m for fixed assets and inventory, representing the book values of these assets. As previously announced, contingent on the successful outcome of the WHO review of a now-completed clinical study in Kenya the Company expected to receive up to an additional £4.0m for the intellectual property and a future royalty income stream capped at £1.0m in aggregate. The Company provided comments on the draft performance evaluation report arising from the study in October, with the main area of discussion being the content of the instructions for use leaflet. To the Company's knowledge, all outstanding points have now been resolved and the Company awaits publication of the final report by the WHO. On 23 November 2022, Accubio confirmed that in their opinion it was no longer necessary to await the publication of the final performance evaluation report by the WHO prior to funds being released and they have instructed their legal advisers to release the full £4.0m to Omega with immediate effect.

### ***DHSC dispute***

The Group remains in an ongoing dispute with the Department of Health and Social Care ('DHSC') regarding the potential repayment of a pre-production payment of £2.5m under a contract to manufacture COVID-19 lateral flow tests. The negotiations are continuing slowly, with mediation now expected to take place toward the end of Q1 2023. The Company can confirm that it has recently advised the DHSC of its substantial counter claim, claiming an additional £1m+ over and above the disputed £2.5m pre-production payment. Details of this counter claim will not be made public as this may be prejudicial to the dispute resolution process.

### **Outlook**

We are pleased to have executed on our strategic decision to re-align the Group in the period, disposing of the loss-making business in Alva, reducing operating costs and focusing solely on the profitable and cash generative Health and Nutrition business and we are delighted to be notified of the impending release of the full CD4 deferred consideration of £4.0m. We have implemented the plan we set out to shareholders, growing our installed base, introducing our new digital platform and signing two partnership agreements which will expand our product portfolio and drive additional revenue growth. Our plans to create a US market presence will be progressed following the receipt of the remainder of the CD4 sale proceeds.

Whilst we expect a stronger second half, our full year sales will be marginally lower than previously anticipated to reflect the delayed US investment plans. The performance expectations of the remainder of our business remain unchanged and the Group continues to target EBITDA break even this year.

**Simon Douglas**  
**Non-Executive Chairman**

# Consolidated Statement of Comprehensive Income

for the six months ended 30 September 2022

		6 months ended 30 September 2022	6 months ended 30 September 2021	12 months ended 31 March 2022
	Note	£'000	£'000	£'000
<b>Continuing operations</b>				
<b>Revenue</b>	4	<b>3,434</b>	4,167	8,539
Cost of sales		<b>(1,581)</b>	(1,485)	(3,437)
<b>Gross profit</b>		<b>1,853</b>	2,682	5,102
Administration costs		<b>(1,773)</b>	(2,146)	(4,438)
Selling and marketing costs		<b>(730)</b>	(512)	(1,256)
Other income		—	—	—
<b>Operating (loss)/profit before exceptional items</b>		<b>(650)</b>	24	(592)
Exceptional items		—	—	(337)
<b>Operating (loss)/profit after exceptional items</b>		<b>(650)</b>	24	(929)
Finance costs	5	<b>(6)</b>	(12)	(21)
<b>(Loss)/profit before taxation</b>		<b>(656)</b>	12	(950)
Tax credit/(expense)	6	—	682	(459)
<b>(Loss)/profit for the period from continuing operations</b>		<b>(656)</b>	694	(1,409)
<b>Discontinued operations</b>				
Loss after tax for the period from discontinued operations	7	<b>(1,431)</b>	(3,443)	(9,924)
<b>Loss for the period</b>		<b>(2,087)</b>	(2,749)	(11,333)
<b>Other comprehensive income/(losses) to be reclassified to profit and loss in subsequent periods</b>				
Exchange differences on translation of foreign operations		<b>22</b>	(18)	10
Recycling of translation reserve		—	38	—
Tax charge		—	(7)	—
<b>Other comprehensive income for the period</b>		<b>22</b>	13	10
<b>Total comprehensive losses for the period</b>		<b>(2,065)</b>	(2,736)	(11,323)
<b>Earnings per share (EPS)</b>				
Basic and diluted EPS on loss for the period	8	<b>(0.9)p</b>	(1.5)p	(6.2)p
<b>Earnings per share for continuing operations</b>				
Basic and diluted EPS on (loss)/profit for the period from continuing operations	8	<b>(0.3)p</b>	0.4p	(0.9)p

# Consolidated Balance Sheet

as at 30 September 2022

		As restated*		
	30 September 2022	30 September 2021	31 March 2022	
	Note	£'000	£'000	£'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangibles	9	4,556	9,906	4,745
Property, plant and equipment	10	1,062	3,524	1,138
Right of use assets	10	62	1,692	106
Deferred taxation		1,120	2,754	1,107
<b>Total non-current assets</b>		<b>6,800</b>	<b>17,876</b>	<b>7,096</b>
<b>Current assets</b>				
Inventories		1,074	2,232	1,094
Trade and other receivables		6,544	2,606	3,045
Cash and cash equivalents		2,712	4,698	1,605
<b>Total current assets</b>		<b>10,330</b>	<b>9,536</b>	<b>5,744</b>
Assets held for sale		—	—	4,995
<b>Total assets</b>		<b>17,130</b>	<b>27,412</b>	<b>17,835</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		10,244	8,042	8,044
Share premium		25,100	25,331	25,340
Retained deficit		(23,534)	(13,064)	(21,537)
Translation reserve		(8)	(21)	(31)
<b>Total equity</b>		<b>11,802</b>	<b>20,288</b>	<b>11,816</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Long-term borrowings		35	628	51
Lease liabilities		—	1,670	23
Corporation tax		—	13	—
Deferred income		2,500	2,643	2,500
<b>Total non-current liabilities</b>		<b>2,535</b>	<b>4,954</b>	<b>2,574</b>
<b>Current liabilities</b>				
Short-term borrowings		31	186	204
Lease liabilities		69	168	92
Trade and other payables		2,282	1,816	2,674
<b>Total current liabilities</b>		<b>2,382</b>	<b>2,170</b>	<b>2,970</b>
Liabilities directly associated with assets held for sale		411	—	475
<b>Total liabilities</b>		<b>5,328</b>	<b>7,124</b>	<b>6,019</b>
<b>Total equity and liabilities</b>		<b>17,130</b>	<b>27,412</b>	<b>17,835</b>

\* See note 2 for details regarding the restatement.

# Consolidated Statement of Changes in Equity

for the six months ended 30 September 2022

	Note	Share capital £'000	Share premium £'000	As restated* Retained deficit £'000	Translation reserve £'000	As restated* Total £'000
<b>Balance at 31 March 2021 as reported</b>		8,028	25,288	(9,601)	(41)	23,674
Development costs written off	2	—	—	(290)	—	(290)
<b>Restated balance at 31 March 2021</b>		8,028	25,288	(9,891)	(41)	23,384
Loss for the period to 30 September 2021		—	—	(2,749)	—	(2,749)
Other comprehensive losses – net exchange adjustments		—	—	—	(18)	(18)
Other comprehensive (losses)/income – net exchange adjustments recycled		—	—	(38)	38	—
Other comprehensive losses		—	—	(7)	—	(7)
Total comprehensive (losses)/income for the period		—	—	(2,794)	20	(2,774)
Share options exercised		14	43	—	—	57
Share-based payments		—	—	90	—	90
Deferred tax debit related to share-based payments		—	—	(469)	—	(469)
<b>Restated balance at 30 September 2021</b>		8,042	25,331	(13,064)	(21)	20,288
Loss for the period to 31 March 2022		—	—	(8,584)	—	(8,584)
Other comprehensive income – net exchange adjustments		—	—	—	28	28
Other comprehensive income/(losses) – net exchange adjustments recycled		—	—	38	(38)	—
Other comprehensive income		—	—	7	—	7
Total comprehensive losses for the period		—	—	(8,539)	(10)	(8,549)
Share options exercised		2	9	—	—	11
Share-based payments		—	—	192	—	192
Deferred tax debit related to share-based payments		—	—	(126)	—	(126)
<b>At 31 March 2022</b>		8,044	25,340	(21,537)	(31)	11,816
Loss for the period to 30 September 2022		—	—	(2,087)	—	(2,087)
Other comprehensive income – net exchange adjustments		—	—	—	23	23
Total comprehensive (losses)/income for the period		—	—	(2,087)	23	(2,064)
Issue of share capital for cash consideration		2,200	—	—	—	2,200
Expenses in connection with share issue		—	(240)	—	—	(240)
Share-based payments		—	—	90	—	90
<b>Balance at 30 September 2022</b>		10,244	25,100	(23,534)	(8)	11,802

\* See note 2 for details regarding the restatement.



# Consolidated Cash Flow Statement

for the six months ended 30 September 2022

	6 months ended 30 September 2022 £'000	As restated* 6 months ended 30 September 2021 £'000	12 months ended 31 March 2022 £'000
<b>Cash flows generated from operations</b>			
(Loss)/profit for the year from continuing operations	(656)	694	(1,409)
Loss for the year from discontinued operations	(1,431)	(3,443)	(9,924)
Adjustments for:			
Gain on disposal of fixed assets	—	—	(7)
Loss on disposal of Alva site fixed assets	—	—	226
Depreciation	120	301	671
Amortisation of intangible assets	225	352	618
Impairment and derecognition of intangible assets	15	80	47
Impairment of fixed assets	27	—	—
Impairment loss recognised on the remeasurement to fair value	149	—	1,915
Share-based payments	90	90	282
Taxation	—	(682)	833
Omega Diagnostic GmbH liability settlement	—	—	(126)
Finance costs	21	92	180
Cash outflow from operating activities before working capital movement	(1,440)	(2,516)	(6,694)
Decrease in trade and other receivables	672	1,569	1,130
(Increase)/decrease in inventories	(168)	6	480
Decrease in trade and other payables	(843)	(856)	(137)
Movement in grants	(4)	(5)	(8)
Receipt of advance funding from the DHSC	—	2,000	2,000
<b>Cash (outflow)/inflow from operating activities</b>	<b>(1,783)</b>	<b>198</b>	<b>(3,229)</b>
<b>Investing activities</b>			
Income from sale of inventory	852	—	—
Income from sale of property, plant and equipment	463	—	985
Purchase of property, plant and equipment	(25)	(673)	(968)
Purchase of intangible assets	(51)	(411)	(510)
<b>Net cash inflow/(outflow) in investing activities</b>	<b>1,239</b>	<b>(1,084)</b>	<b>(493)</b>
<b>Financing activities</b>			
Finance costs	—	(1)	(2)
Proceeds from issue of share capital	2,200	57	68
Expenses in connection with share issue	(240)	—	—
Principal portion of asset finance payments	(243)	(104)	(198)
Interest portion of asset finance payments	(16)	(19)	(34)
Principal portion of lease liability payments	(46)	(86)	(192)
Interest portion of lease liability payments	(5)	(72)	(144)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>1,650</b>	<b>(225)</b>	<b>(502)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,106</b>	<b>(1,111)</b>	<b>(4,224)</b>
Effects of exchange rate movements	1	(18)	2
Cash and cash equivalents at beginning of period	1,605	5,827	5,827
<b>Cash and cash equivalents at end of the period</b>	<b>2,712</b>	<b>4,698</b>	<b>1,605</b>

## **Notes to the Interim Report**

for the six months ended 30 September 2022

### **1. BASIS OF PREPARATION**

For the purpose of preparing the 31 March 2022 annual financial statements the Directors used IFRS as adopted by the EU and in accordance with the AIM Rules issued by the London Stock Exchange. In preparing these interim financial statements, the accounting policies used in the Group's Annual Report for the year ended 31 March 2022 have been applied consistently. The Group has not applied IAS 34 *Interim Financial Reporting*, which is not mandatory for AIM companies, in the preparation of these interim financial statements.

The interim financial statements are unaudited. The information shown in the consolidated balance sheet as at 30 September 2022 does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 and the information in respect of the year ended 31 March 2022 has been extracted from the Group's 2022 Annual Report which has been filed with the Registrar of Companies. The report of the auditors on the financial statements contained within the Group's 2022 Annual Report was unqualified and did not contain a statement under sections 498 (2) and 498 (3) of Chapter 3, Part 16 of the Companies Act 2006. These interim financial statements were approved by the Board of Directors on 23 November 2022.

### **2. RESTATEMENT OF COMPARATIVES**

#### **Group**

##### ***Intangible assets***

Following a review of intangible assets, one project has been identified which was not adequately defined in previous reporting periods and which does not meet the requirements of IAS 38, in that the probability of generating future economic benefits arising from the development expenditure cannot be established. The capitalised costs relating to this project are £235,000, all of which were incurred prior to 1 April 2020 and were incorrectly capitalised at the time.

In addition, a legacy research and development project valued at £55,000 has been identified which relates to the Group's infectious disease business, which was sold in June 2018. This amount was incorrectly not written off in the year ended 31 March 2019.

The costs associated with both of these projects have been written off effective 31 March 2020 through means of a prior year adjustment in accordance with the requirements of IAS 8, resulting in a reduction of the carrying value of intangible assets of £290,000 as at that date. There has been no impact on the earnings reported for the period ended 30 September 2021.

##### ***Deferred tax***

Historically, deferred tax assets and liabilities were incorrectly reported as separate balances in prior years. The 30 September 2021 balance sheet has been restated to net off the deferred tax asset and liability, reducing the previously reported deferred tax asset by £1,200,000 with a corresponding reduction in the deferred tax liability.

## 2. RESTATEMENT OF COMPARATIVES (CONTINUED)

The effect of the restatements noted above on the consolidated balance sheet as at 30 September 2021 is as follows:

	As reported 30 September 2021 £'000	Restatement 30 September 2021 £'000	As restated 30 September 2021 £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangibles	10,196	(290)	9,906
Property, plant and equipment	3,524	—	3,524
Right of use assets	1,692	—	1,692
Deferred taxation	3,954	(1,200)	2,754
<b>Total non-current assets</b>	<b>19,366</b>	<b>(1,490)</b>	<b>17,876</b>
<b>Current assets</b>			
Inventories	2,232	—	2,232
Trade and other receivables	2,606	—	2,606
Cash and cash equivalents	4,698	—	4,698
<b>Total current assets</b>	<b>9,536</b>	<b>—</b>	<b>9,536</b>
<b>Total assets</b>	<b>28,902</b>	<b>(1,490)</b>	<b>27,412</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Issued capital	33,373	—	33,373
Retained deficit	(12,774)	(290)	(13,064)
Translation reserve	(21)	—	(21)
<b>Total equity</b>	<b>20,578</b>	<b>(290)</b>	<b>20,288</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	628	—	628
Lease liabilities	1,670	—	1,670
Corporation tax	13	—	13
Deferred tax	1,200	(1,200)	—
Deferred income	2,643	—	2,643
<b>Total non-current liabilities</b>	<b>6,154</b>	<b>(1,200)</b>	<b>4,954</b>
<b>Current liabilities</b>			
Short-term borrowings	186	—	186
Lease liabilities	168	—	168
Trade and other payables	1,816	—	1,816
<b>Total current liabilities</b>	<b>2,170</b>	<b>—</b>	<b>2,170</b>
<b>Total liabilities</b>	<b>8,324</b>	<b>(1,200)</b>	<b>7,124</b>
<b>Total equity and liabilities</b>	<b>28,902</b>	<b>(1,490)</b>	<b>27,412</b>

## 3. SEGMENT INFORMATION

Following the withdrawal from COVID-19 products and the decision taken in March 2022 to dispose of the CD4 business, the sale of which was completed on 31 July 2022, the only remaining division is Health and Nutrition. The Global Health division specialised in the research, development, production and marketing of kits to aid the diagnosis of infectious diseases, including COVID-19.

The Health and Nutrition division specialises in the research, development and production of kits to aid the detection of immune reactions to food. It also provides clinical analysis to the general public, clinics and health professionals.

The Corporate segment consists of centralised corporate costs which are not allocated to the trading activities of the Group.

Inter segment transfers or transactions are entered into under the normal commercial conditions that would be available to unrelated third parties.

### 3. SEGMENT INFORMATION (CONTINUED)

#### Business segment information

6 months to 30 September 2022	Health and Nutrition £'000	Corporate £'000	Total £'000
Revenue	3,533	—	3,533
Inter-segment revenue	(99)	—	(99)
<b>Total revenue</b>	<b>3,434</b>	<b>—</b>	<b>3,434</b>
Cost of sales	(1,581)	—	(1,581)
<b>Gross profit</b>	<b>1,853</b>	<b>—</b>	<b>1,853</b>
Operating costs	(1,947)	(556)	(2,503)
<b>Operating loss before exceptional items</b>	<b>(94)</b>	<b>(556)</b>	<b>(650)</b>
Exceptional items	—	—	—
<b>Operating loss after exceptional items</b>	<b>(94)</b>	<b>(556)</b>	<b>(650)</b>
Depreciation	106	—	106
Amortisation	225	—	225
<b>EBITDA</b>	<b>237</b>	<b>(556)</b>	<b>(319)</b>
Exceptional items	—	—	—
Share-based payment charges	—	90	(90)
<b>Adjusted EBITDA</b>	<b>237</b>	<b>(466)</b>	<b>(229)</b>
Share-based payment charges	—	(90)	(90)
Depreciation	(106)	—	(106)
Amortisation	(225)	—	(225)
Net finance costs	(6)	—	(6)
Exceptional costs	—	—	—
<b>Loss before tax</b>	<b>(100)</b>	<b>(556)</b>	<b>(656)</b>
Exceptional items	—	—	—
Share-based payment charges	—	90	90
Amortisation	49	—	49
<b>Adjusted loss before tax</b>	<b>(51)</b>	<b>(466)</b>	<b>(517)</b>

6 months to 30 September 2021	Health and Nutrition £'000	Corporate £'000	Total £'000
Revenue	4,297	—	4,297
Inter-segment revenue	(130)	—	(130)
<b>Total revenue</b>	<b>4,167</b>	<b>—</b>	<b>4,167</b>
Cost of sales	(1,485)	—	(1,485)
<b>Gross profit</b>	<b>2,682</b>	<b>—</b>	<b>2,682</b>
Operating costs	(1,852)	(806)	(2,658)
<b>Operating profit/(loss) before exceptional items</b>	<b>830</b>	<b>(806)</b>	<b>24</b>
Exceptional items	—	—	—
<b>Operating profit/(loss) after exceptional items</b>	<b>830</b>	<b>(806)</b>	<b>24</b>
Depreciation	96	—	96
Amortisation	220	—	220
<b>EBITDA</b>	<b>1,146</b>	<b>(806)</b>	<b>340</b>
Share-based payment charges	—	90	90
Exceptional items	—	—	—
<b>Adjusted EBITDA</b>	<b>1,146</b>	<b>(716)</b>	<b>430</b>
Share-based payment charges	—	(90)	(90)
Depreciation	(96)	—	(96)
Amortisation	(220)	—	(220)
Exceptional items	—	—	—
Net finance costs	(12)	—	(12)
<b>Profit/(loss) before tax</b>	<b>818</b>	<b>(806)</b>	<b>12</b>
Exceptional items	—	—	—
Share-based payment charges	—	90	90
Amortisation	49	—	49
<b>Adjusted profit/(loss) before tax</b>	<b>867</b>	<b>(716)</b>	<b>151</b>

The adjusted profit/(loss) before taxation is a key measure of the Group's trading performance used by the Directors. The reported numbers are non-GAAP measures.

#### 4. REVENUES – Continuing operations

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
<b>Revenues</b>		
UK	423	238
Rest of Europe	1,125	1,378
North America	606	894
South/Central America	141	242
India	286	279
Asia and the Far East	651	592
Africa and the Middle East	202	544
	<b>3,434</b>	<b>4,167</b>

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000	<i>inc/(dec)</i> %
FoodPrint®	2,239	2,947	(24)%
Food Detective®	706	735	(4)%
CNS laboratory service	420	251	67%
Food ELISA/other	69	234	(71)%
	<b>3,434</b>	<b>4,167</b>	<b>(18)%</b>

#### 5. FINANCE COSTS

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
Continuing operations		
Interest payable on bank overdraft	—	2
Interest payable on lease liabilities	4	8
Interest on hire purchase and asset finance arrangements	2	2
	<b>6</b>	<b>12</b>

#### 6. TAXATION

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
Continuing operations		
<b>Tax credited in the income statement</b>		
Current tax – current year	—	(13)
Current tax – prior year adjustment	—	—
Deferred tax – current year	—	695
Deferred tax – prior year adjustment	—	—
	—	<b>682</b>
<b>Tax relating to items charged to other comprehensive income</b>		
Deferred tax on net exchange adjustments	—	(7)
	—	<b>(7)</b>

## 6. TAXATION (CONTINUED)

### Reconciliation of total tax credit

Factors affecting the tax credit for the period:	£'000	£'000
<b>Loss/(profit) taxable</b>	<b>(656)</b>	<b>12</b>
<b>Effective rate of taxation</b>	<b>19%</b>	<b>19%</b>
Loss before tax multiplied by the effective rate of tax	—	2
Effects of:		
Expenses not deductible for tax purposes and permanent differences	—	(629)
Research and development credits	—	(30)
Deferred tax asset not recognised	<b>125</b>	—
Adjustment for future tax deductions on notional gains on unexercised employee share options	—	(17)
Tax under/(over) provided in prior years	—	(13)
Adjustment due to different overseas tax rate	—	5
<b>Tax credit for the period</b>	<b>—</b>	<b>(682)</b>

## 7. DISCONTINUED OPERATIONS

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
<b>Revenue</b>	<b>657</b>	<b>1,560</b>
Cost of sales	<b>(567)</b>	<b>(2,274)</b>
<b>Gross profit/(loss)</b>	<b>90</b>	<b>(714)</b>
Administration costs	<b>(1,361)</b>	<b>(2,201)</b>
Selling and marketing costs	—	(302)
Other income	<b>4</b>	<b>4</b>
<b>Operating loss before exceptional items</b>	<b>(1,267)</b>	<b>(3,213)</b>
Exceptional items	—	(150)
<b>Operating loss after exceptional items</b>	<b>(1,267)</b>	<b>(3,363)</b>
Finance costs	<b>(15)</b>	<b>(80)</b>
Impairment loss recognised on the remeasurement to fair value less costs to sell	<b>(149)</b>	—
<b>Loss before taxation</b>	<b>(1,431)</b>	<b>(3,443)</b>
Tax	—	—
<b>Loss for the period from discontinued activities</b>	<b>(1,431)</b>	<b>(3,443)</b>

### Adjusted loss before taxation

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
<b>Loss for the period from discontinued activities</b>	<b>(1,431)</b>	<b>(3,443)</b>
Exceptional items	—	150
Amortisation of intangible assets	<b>7</b>	<b>3</b>
<b>Adjusted loss for the period from discontinued activities</b>	<b>(1,424)</b>	<b>(3,290)</b>

### Earnings per share

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
Basic, loss for the period from discontinued operations	<b>(0.6)p</b>	<b>(1.9)p</b>
Diluted, loss for the period from discontinued operations	<b>(0.6)p</b>	<b>(1.9)p</b>
Adjusted, loss for the period from discontinued operations	<b>(0.6)p</b>	<b>(1.8)p</b>

## 7. DISCONTINUED OPERATIONS (CONTINUED)

The major classes of assets and liabilities of the Global Health business as at 30 September 2022 are, as follows:

	30 September 2022 £'000
<b>Assets</b>	
Property, plant and equipment	—
<b>Total assets held for sale</b>	<b>—</b>
<b>Liabilities</b>	
Borrowings	(411)
<b>Total liabilities directly associated with the assets held for sale</b>	<b>(411)</b>
<b>Net liabilities directly associated with the disposal group</b>	<b>(411)</b>

The property, plant and equipment relate primarily to COVID-19 plant and equipment no longer used in the business which have all been written down to zero value, the liabilities relate to the hire purchase on these assets.

## 8. EARNINGS PER SHARE

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
<b>Loss attributable to equity holders of the Group</b>		
Continuing operations	(656)	694
Discontinued operations	(1,431)	(3,443)
<b>Loss attributable to equity holders of the Group for basic earnings</b>	<b>(2,087)</b>	<b>(2,749)</b>
	2022	2021
Continuing operations	Number	Number
Weighted average number of shares	225,443,711	182,269,637
Share options	—	6,814,300
<b>Diluted weighted average number of shares</b>	<b>225,443,711</b>	<b>189,083,937</b>

The number of shares in issue at the period end was 237,685,180. Basic earnings per share are calculated by dividing profit for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. Diluting events are excluded from the calculation when the average market price of ordinary shares is lower than the exercise price.

### Adjusted earnings per share on loss for the period

The Group presents adjusted earnings per share which is calculated by taking adjusted loss before taxation and adding the tax credit in order to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
Loss attributable to equity holders of the Group	(2,087)	(2,749)
Exceptional items	—	150
Amortisation of intangible assets	56	52
Share-based payment charges	90	90
<b>Adjusted loss attributable to equity holders of the Group</b>	<b>(1,941)</b>	<b>(2,457)</b>

## 8. EARNINGS PER SHARE (CONTINUED)

### Adjusted loss for the year – continuing operations

The reported numbers are non-GAAP measures

	6 months to 30 September 2022 £'000	6 months to 30 September 2021 £'000
<b>(Loss)/profit for the period from continuing operations</b>	<b>(656)</b>	694
Exceptional items	—	—
Amortisation of intangible assets	49	49
Share-based payment charges	90	90
<b>Adjusted (loss)/profit for the period from continuing operations</b>	<b>(517)</b>	833
Adjusted EPS on loss for the period	<b>(0.8)p</b>	(1.3)p
Adjusted EPS on (loss)/profit for the period from continuing operations	<b>(0.2)p</b>	0.5p

Adjusted (loss)/profit before taxation, which is a key measure of the Group's trading performance used by the Directors, is derived by taking statutory profit before taxation and adding back exceptional items, amortisation of intangible assets (excluding development costs) and share-based payment charges

## 9. INTANGIBLES

	Goodwill £'000	Licences/ software £'000	Technology assets £'000	Customer relationships £'000	As restated* Development costs £'000	As restated* Total £'000
<b>Cost</b>						
At 31 March 2021 as reported	3,017	1,633	1,975	100	14,627	21,352
Prior year adjustment	—	—	—	—	(290)	(290)
Restated at 31 March 2021	3,017	1,633	1,975	100	14,337	21,062
Additions	—	—	—	—	78	78
Additions – internally generated	—	—	—	—	368	368
At 30 September 2021	3,017	1,633	1,975	100	14,783	21,508
Additions – internally generated	—	—	—	—	135	135
Currency translation	—	1	—	—	—	1
Reclassified as assets held for sale	—	—	—	—	(5,706)	(5,706)
Disposals	—	—	—	—	(31)	(31)
At 31 March 2022	3,017	1,634	1,975	100	9,181	15,907
Additions	—	—	—	—	16	16
Additions – internally generated	—	—	—	—	35	35
<b>At 31 March 2022</b>	<b>3,017</b>	<b>1,634</b>	<b>1,975</b>	<b>100</b>	<b>9,232</b>	<b>15,958</b>
<b>Accumulated amortisation</b>						
At 31 March 2021	—	1,597	1,341	100	8,132	11,170
Amortisation charge in the period	—	3	49	—	300	352
Impairment charge	—	—	—	—	80	80
At 30 September 2021	—	1,600	1,390	100	8,512	11,602
Amortisation charge in the period	—	3	50	—	213	266
Impairment charge	—	16	—	—	(80)	(64)
Reclassified as assets held for sale	—	—	—	—	(642)	(642)
At 31 March 2022	—	1,619	1,440	100	8,003	11,162
Amortisation charge in the period	—	—	49	—	176	225
Impairment charge	—	15	—	—	—	15
<b>At 31 March 2022</b>	<b>—</b>	<b>1,634</b>	<b>1,489</b>	<b>100</b>	<b>8,179</b>	<b>11,402</b>
<b>Net book value</b>						
<b>At 30 September 2022</b>	<b>3,017</b>	<b>—</b>	<b>486</b>	<b>—</b>	<b>1,053</b>	<b>4,556</b>
At 31 March 2022	3,017	15	535	—	1,178	4,745
At 30 September 2021	3,017	33	585	—	6,271	9,906

\* See note 2 for details regarding the restatement.



## 10. FIXED ASSETS

Consolidated	Right of use assets £'000	Leasehold improvements £'000	Plant and machinery £'000	Total £'000
<b>Cost</b>				
At 31 March 2021	2,259	1,409	5,411	9,079
Additions	—	256	417	673
At 30 September 2021	2,259	1,665	5,828	9,752
Additions	64	138	157	359
Disposals	(1,889)	(1,107)	(1,378)	(4,374)
Reclassified as assets held for sale	(22)	—	(2,147)	(2,169)
Currency translation	—	—	1	1
At 31 March 2022	412	696	2,461	3,569
Additions	—	1	24	25
Currency translation	—	—	1	1
<b>At 30 September 2022</b>	<b>412</b>	<b>697</b>	<b>2,486</b>	<b>3,595</b>
<b>Accumulated depreciation</b>				
At 31 March 2021	458	679	3,063	4,200
Charge in the period	109	42	185	336
At 30 September 2021	567	721	3,248	4,536
Charge in the period	127	49	230	406
Disposals	(375)	(286)	(970)	(1,631)
Reclassified as assets held for sale	(13)	—	(974)	(987)
Currency translation	—	—	1	1
At 31 March 2022	306	484	1,535	2,325
Charge in the period	44	—	76	120
Disposals	—	—	27	27
Currency translation	—	(1)	—	(1)
<b>At 30 September 2022</b>	<b>350</b>	<b>483</b>	<b>1,638</b>	<b>2,471</b>
<b>Net book value</b>				
<b>At 30 September 2022</b>	<b>62</b>	<b>214</b>	<b>848</b>	<b>1,124</b>
At 31 March 2022	106	212	926	1,244
At 30 September 2021	1,692	944	2,580	5,216