



POINT OF CARE | CLINICAL LABORATORY

Your Diagnostics Partner
May 2017



Nasdaq: TRIB

Overview

- Founded in 1992 – quoted on NASDAQ (TRIB).
- Headquartered in Bray, Ireland (favourable tax regime – 12½% corporation tax).
- Significant operations in the USA – direct selling force of 60; in addition to manufacturing operations in Buffalo, Jamestown, San Diego and Kansas City.
- Direct sales operation in Brazil (Sao Paulo).
- Leading positions in a number of high-growth segments.

Revenues

- \$100m of revenue in 2016, though heavily impacted by currency.
- Following a cull of older declining Bartels & MicroTrak product lines base business as of 31 December, 2016 is \$96.6m.
- Key business segments:
 - Diabetes
 - HIV/Syphilis
 - Infectious diseases
 - Autoimmune
 - Life science supply

Diabetes

- Worldwide market share - 9%.
- A1c is a long term indicator of diabetes management.
- A1c diabetics require A1c testing 4 times a year.
- Major increase in incidence of diabetes in USA and internationally.
- Significant haemoglobin variant and neo-natal revenues also.
- Major growth market – 12% p.a.
- Market Size \$300m.
- Competitive landscape
 - BIO-RAD
 - Arkray
 - Tosoh
 - Trinity Biotech



Premier

- Premier – New clinical lab HbA1c instrument - FDA approved in December 2011.
- **State of the art instrument**
 - interference free (boronate affinity)
 - quicker – 1 minute assay
 - biggest capacity - 210 tests
 - leading edge software (touch screen)
 - modular configuration (ease of service)
- **Market**
 - Europe – Menarini (40% Market Share)
 - USA - Direct salesforce
 - China (approved Q2 2013)
 - Brazil (approved Q1 2014)
- **Premier Resolution**
 - Variant testing version launched in 2016.



Premier Placements

Year	Placements	Key development
2012	202	Initial product launch in USA, Europe and other strategic markets
2013	321	First sales in China – 74 instruments
2014	460	First sales in Brazil – 121 instruments
2015	350	Temporary withdrawal from Brazilian market due to significant fall in local currency
2016	320	

HIV/Syphilis - HIV

- **African market**

- President's Emergency Plan for AIDS Relief ('PEPFAR') - over \$30 billion to date.
- WHO, World Bank, Clinton & Gates Foundations.
- Gold standard product – confirmation test in 95% of Africa.
- Currently targeting \$90m HIV screening market.

- **USA Market**

- Market Size of \$58m
- Blood \$25m (Trinity \$6m; Orasure \$10m; Chembio \$9m)
- Saliva \$33m (Orasure \$33m)
- FDA approval for HIV-2 claim will boost revenues.



HIV/Syphilis - Rapid Syphilis Test

- CLIA waiver received in December 2014.
- Only FDA approved rapid syphilis test on the market.
- Customers:
 - State public health departments
 - Major city public health departments
 - CDC funding
 - CBO (community based organisations)
 - Planned parenthood
- Excellent companion product for Trinity's HIV test.
- Expected to be \$5m+ p.a. revenue product.

Infectious Diseases

- Broad infectious diseases product range – 60 products.
- Lyme - 100% market share of U.S. confirmatory business.
- Prominent niche player – esoteric tests.
- Large DSX instrument installed base in USA – reagent rental.
- China – large growth market.
- POC tests developed: H. Pylori, LUA, Strep. Pneumo, HSV.



Autoimmune – Immco Diagnostics

- Acquired July 2013 for \$33m, based in Buffalo, NY and employing 90 people.
- \$250m speciality autoimmune market growing 10% annually, main competitors –Werfen-Inova (\$75m), Bio-Rad (\$70m) and Phadia (\$40m).
- Autoimmune products: Lupus, Sjögren’s, Celiac, Crohn’s and Rheumatoid Arthritis.
- IFA products (best in market), EIA products (competitive with market leaders).
- Reference laboratory (NYSDOH accredited lab) – autoimmune testing.
- Growth expected through leveraging synergies with Trinity, launch of laboratory-based tests, and reference laboratory growth.
- New Sjögren’s test performing strongly – marketing partner, Bausch and Lomb.

Meritas Platform

- 2012 acquired Fiom Diagnostics – a developer of high quality Troponin and BNP cardiac tests.
- September 2016 - FDA submission for Troponin withdrawn following discussions with the FDA - required performance equivalent to the most recently cleared laboratory based device.
- No certainty that this level of performance would be achieved by the Meritas product even with the benefit of further development efforts.
- Closed our Swedish facility and transferred technology to Ireland – reduced expenditure on project from \$9m p.a. to \$1.5m p.a.
- Q4, 2016 - wrote off \$66.3m investment in the Meritas platform.
- Internal process ongoing to determine the best future opportunity for this technically excellent platform.
- Key alternatives being considered - develop new product menu, enter joint venture with third parties or licence/sell technology to third parties.

Financial Highlights

- Currently generating EBITDA of approximately \$15m p.a.
- Cash of \$70m on hand (exchangeable note of \$115m).
- Undertaking major share buyback programme following recent fall in share price.
- Following closure of Swedish plant, company has moved towards a cash neutral position.

Financial Information - Profit and Loss

	2011 \$m	2012 \$m	2013 \$m	2014 \$m	2015 \$m	2016 \$m
Revenue	77.9	82.5	91.2	104.9	100.2	99.6
EBITDA	19.6	21.7	22.8	23.8	20.7	15.0
Profit/(loss) after tax	15.6	17.3	17.8	17.2	9.3	8.0
EPS (US cents)	69	77	78	76	40	16

Amounts above exclude non-cash financial income/charges and once-off items

- 2015/16 revenues were impacted by the weakening of a range of currencies versus US dollar – Euro, Brazilian Real, Canadian dollar and Sterling (\$5m - \$7m).
- 2015/16 profitability was impacted by
 - Currency movements (strong dollar)
 - Interest charge on exchangeable notes (\$4.6m annualised)
 - Pre launch cardiac costs

Financial Information – Balance Sheet

Balance sheet as at 31 March 2017	\$m
Fixed assets	14.2
Trade and other receivables	23.8
Inventory	32.7
Cash	70.0
Current assets	126.5
Trade and other payables	(21.1)
Net current assets	105.4
Convertible loan notes*	(115.0)

* \$115m raised through issuance of convertible loan notes in April 2015. This is shown net of fair value adjustments and transaction costs in Press Release Balance Sheet.

Take Aways

- Profitable and cash generating infectious disease lab business.
- Strong haemoglobins product offering - 320 Premier placements in 2016, new variant version launched.
- Growing autoimmune business (Immco) – including Sjögren’s opportunity.
- Cash of \$70m at 31 March 2017.
- 12½% tax rate – Ireland.
- Share buyback in progress.