

Final Results
For the year ended
31 March 2023



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Omega Team



Jag Grewal

– CEO

- Jag joined Omega in June 2011 as Group Sales and Marketing Director
- Appointed Managing Director of Omega's Health and Nutrition Division in August 2020
- Worked in the medical diagnostics industry for over 25 years
- Past Chairman and current Treasurer of the British In Vitro Diagnostics Association (BIVDA)



Chris Lea

– CFO

- Chris joined Omega in August 2021 as Chief Financial Officer and Company Secretary
- Previously CFO of two other AIM-listed companies, IndigoVision Group plc and Superglass Holdings PLC, both of which were successfully turned around under Chris' management and were subsequently acquired by larger corporations
- Prior to his public company roles, Chris was CFO of Aviagen Europe

Agenda

- Introduction
- A new vision and focused strategy
- Operational Highlights
- Financials
- Core business overview and growth strategy
- Summary

What We Do

Our **Health and Nutrition** business is a pioneer and market leader in food sensitivity testing. Enabling healthcare professionals and their patients to identify lifestyle and dietary changes that can significantly improve their long-term health and well-being

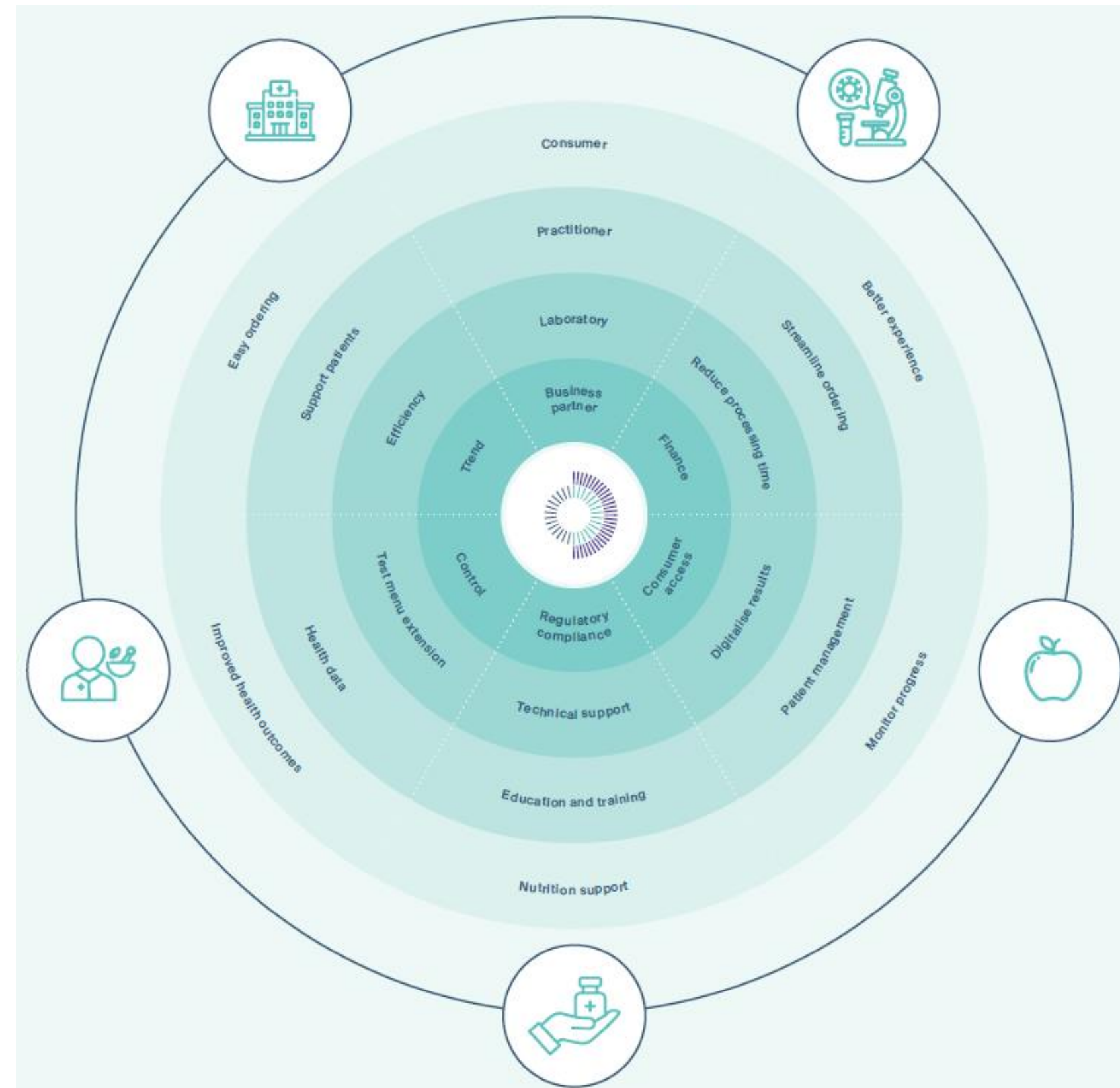


Our Markets





- Health and Wellness, Functional Medicine, Sports Medicine

Omega works closely with our global business partners to develop food sensitivity testing markets in their territories.

Omega's tests are typically used where there are chronic long term inflammatory conditions that are linked to poor gut health or by healthcare consumers wishing to maintain health and wellness.



Our Brands

 <p>Food Detective[®] PROFESSIONAL</p>	<ul style="list-style-type: none">• Near-patient test in clinic setting• 59 common foods analysed• Rapid results in just 40 minutes
 <p>FoodPrint[®]</p>	<ul style="list-style-type: none">• Used by over 150 laboratories worldwide• Innovative, colorimetric microarray-based ELISA technology• Analyses IgG antibodies to over 200 different foods with vegan and vegetarian panels available
 <p>FoodELISA</p>	<ul style="list-style-type: none">• Wide range of panels available• Semi quantitative results reported with easy to interpret results• Food Elisa products are to be discontinued shortly (£100k pa)
 <p>CNSLab</p>	<ul style="list-style-type: none">• Our UK Lab offers FoodPrint[®] testing and other functional tests to healthcare practitioners in the functional/integrative medicine sector

Operational Summary



Financials



Consolidated Statement of Comprehensive Income

	2023 £'000	2022 £'000
Continuing operations		
Revenue	7,546	8,539
Cost of sales	(4,001)	(3,437)
Gross profit	3,545	5,102
Administration costs	(4,755)	(4,438)
Selling and marketing costs	(1,530)	(1,256)
Other income	25	—
Operating loss before exceptional items	(2,715)	(592)
Exceptional items	(524)	(337)
Operating loss after exceptional items	(3,239)	(929)
Finance costs	(13)	(21)
Loss before taxation	(3,252)	(950)
Tax credit/(expense)	80	(459)
Loss for the year from continuing operations	(3,172)	(1,409)
Discontinued operations		
Loss after tax for the year from discontinued operations	(688)	(9,924)
Loss for the year	(3,860)	(11,333)

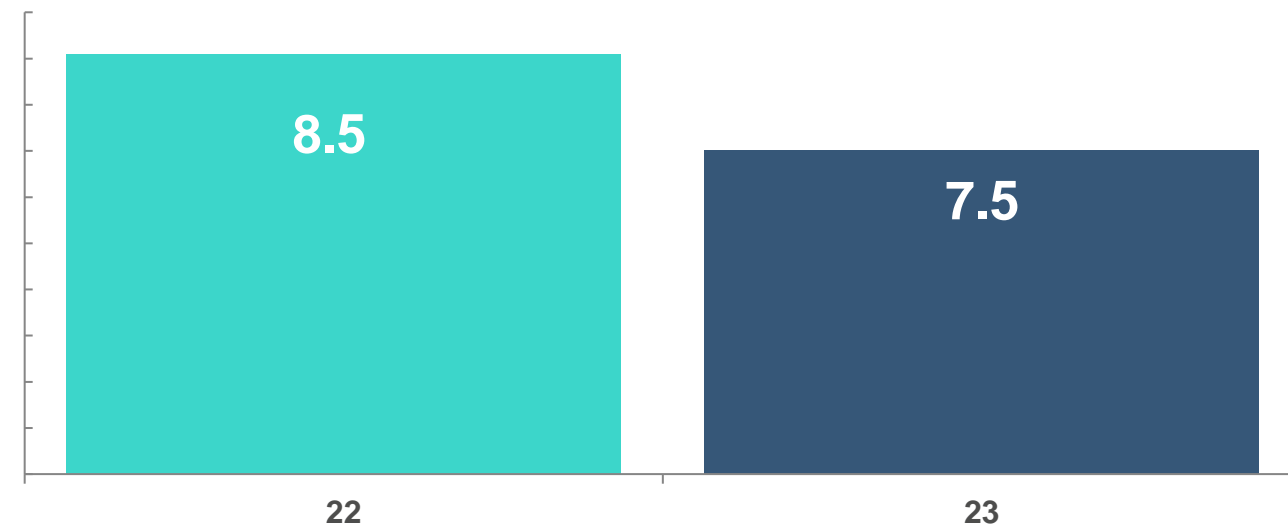
- Revenue down 12% due to production challenges with FoodPrint®
- Order book at 1 April 2023 was £2.4m (2022: £1.4m)
- Gross margin adversely impacted by high levels of scrap
- Exceptional item of £0.5m relates to the planned new manufacturing facility in Ely
- Loss on discontinued operations £0.7m

Financial KPIs – continuing operations

Year ended 31 March 2023

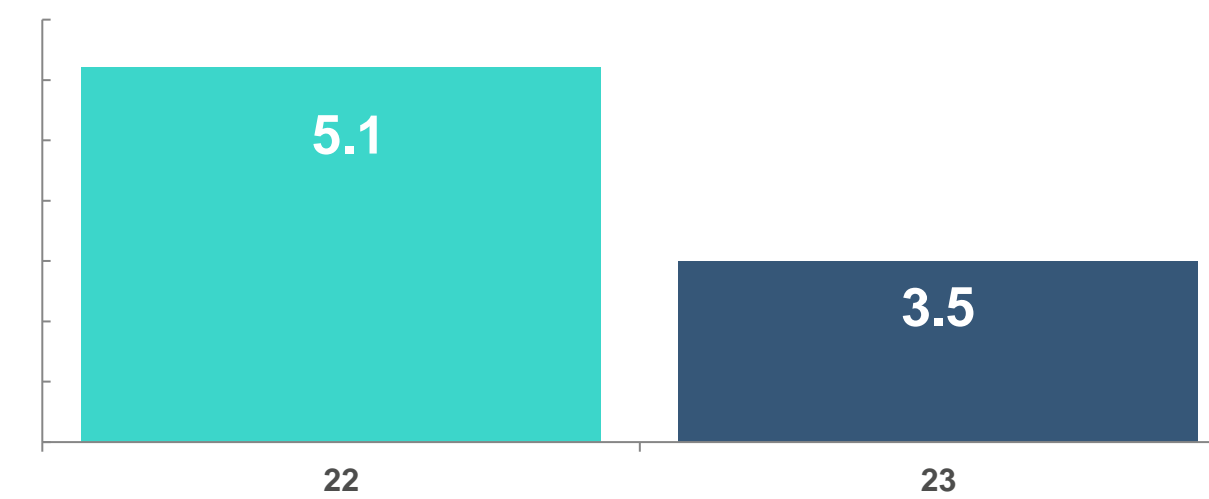
Sales
£7.5m

▼ 12%

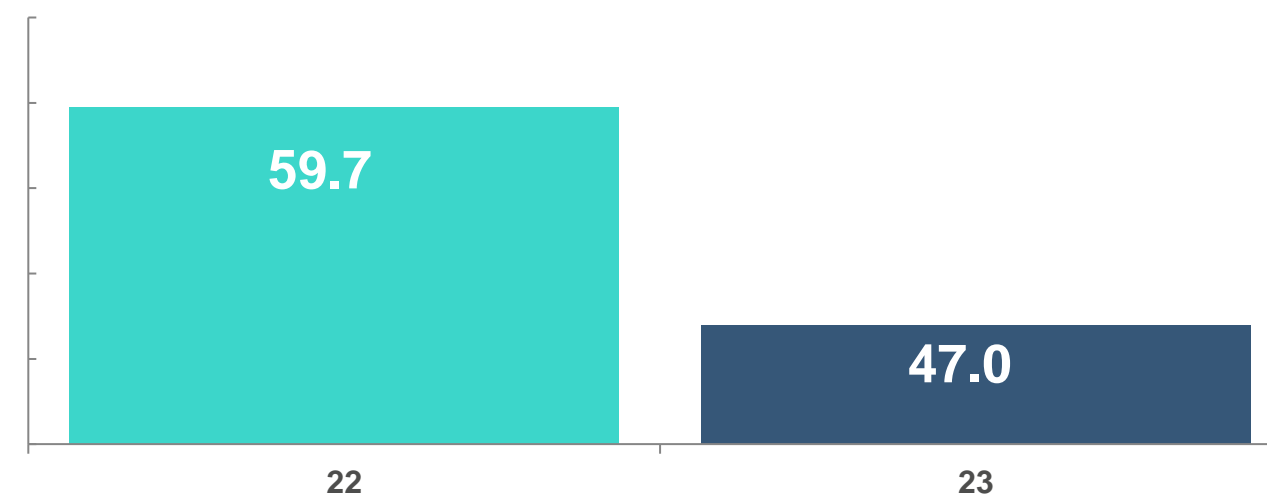


Gross profit
£3.5m

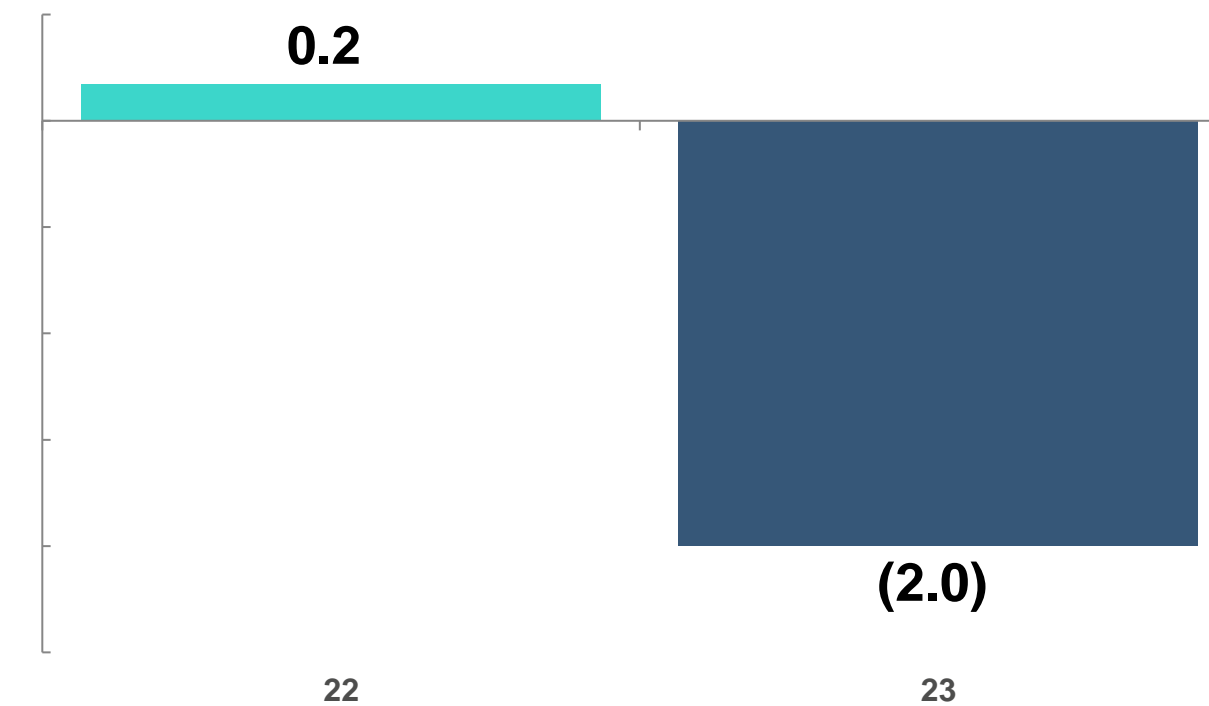
▼ 31%



Gross profit
47.0%



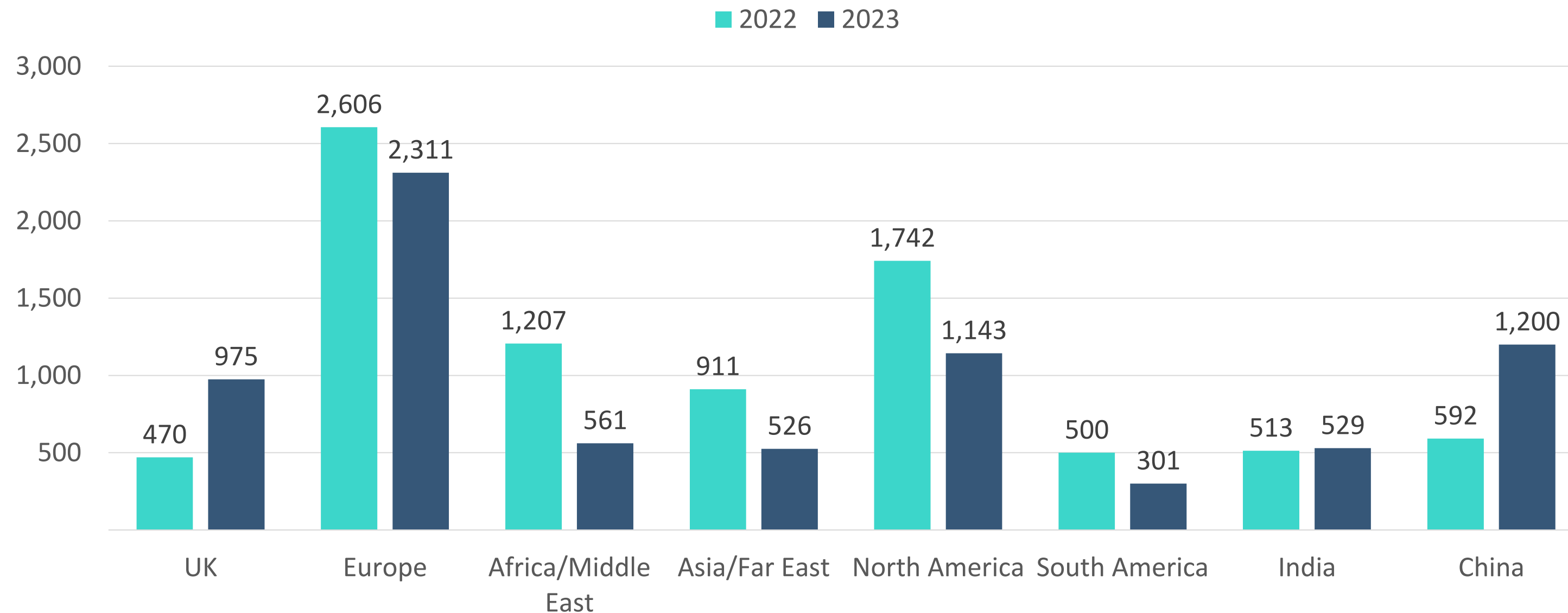
Adjusted EBITDA
£(2.0)m



Financial KPIs – continuing operations

Year ended 31 March 2023

Regional Sales H&N



- FoodPrint® Product availability constrained sales by £1m+
- UK CNSLab sales up 95% - successful partnership with D2C white label partner
- China was the largest single market in FY23, driven by Food Detective sales

Health and Nutrition Product Sales

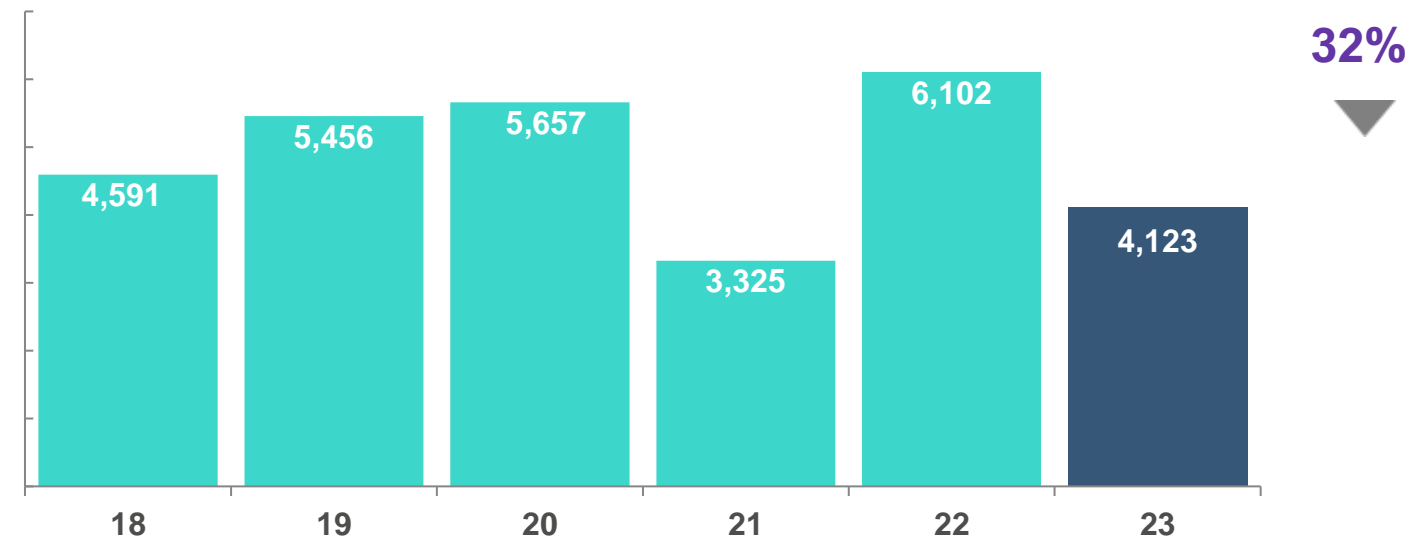
Year ended 31 March 2023

FoodPrint® Reagent Sales

Yield production challenges delayed orders into FY24

1 April order book was £2.4m (2022: £1.4m). Demand remains strong

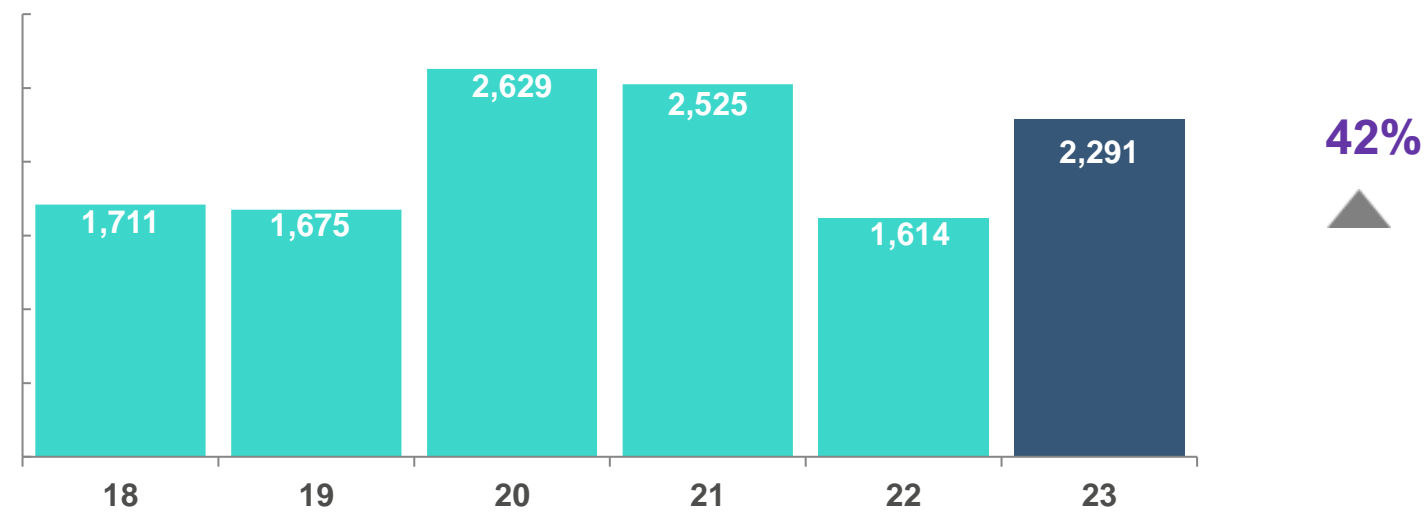
20-40% price rise notified on 1-pad kits



Food Detective Sales

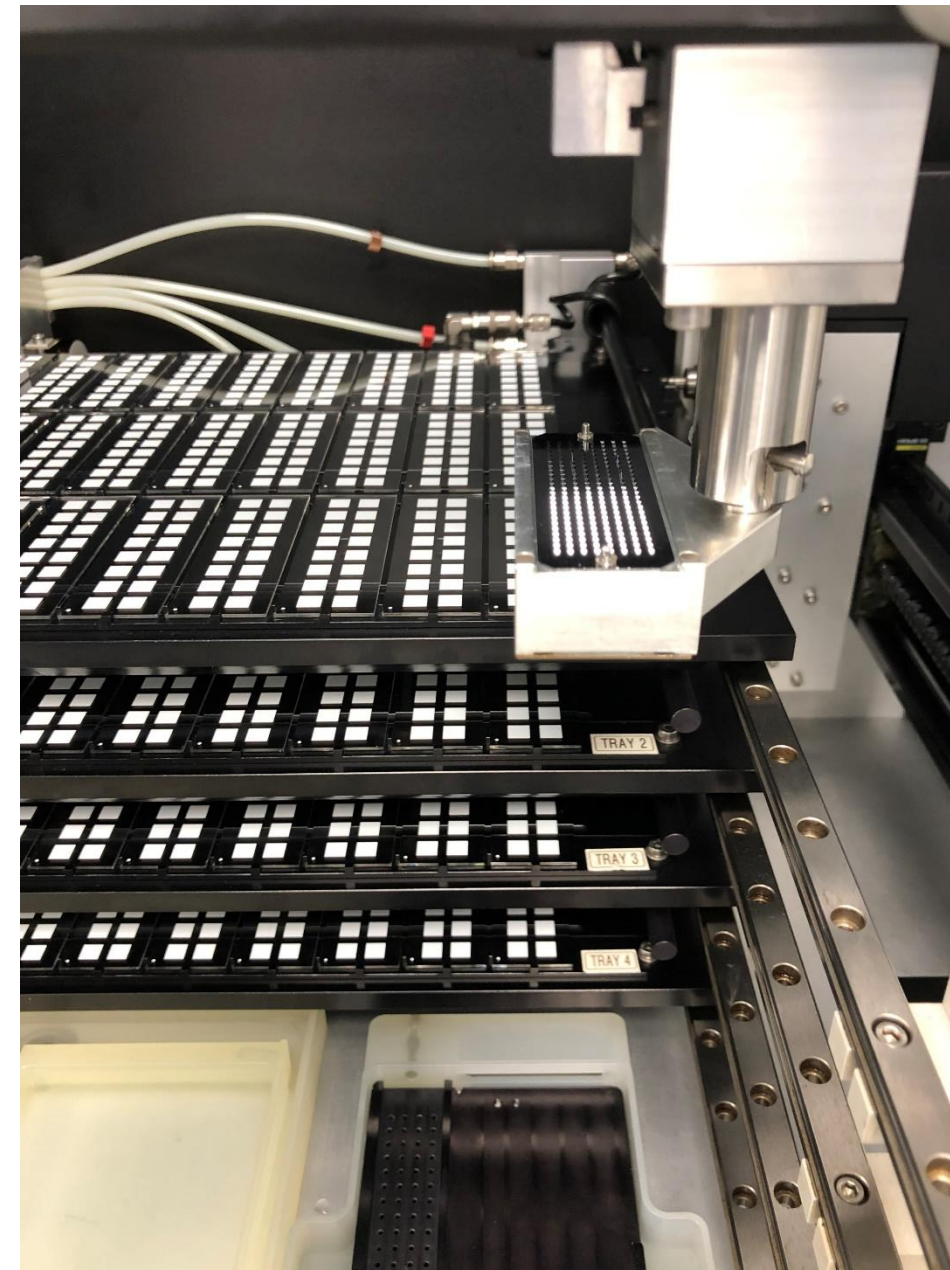
Sales up 42% year on year

Strategic partner in China placed an order for H2, their first order for two years



Operational efficiency and laying a new foundation

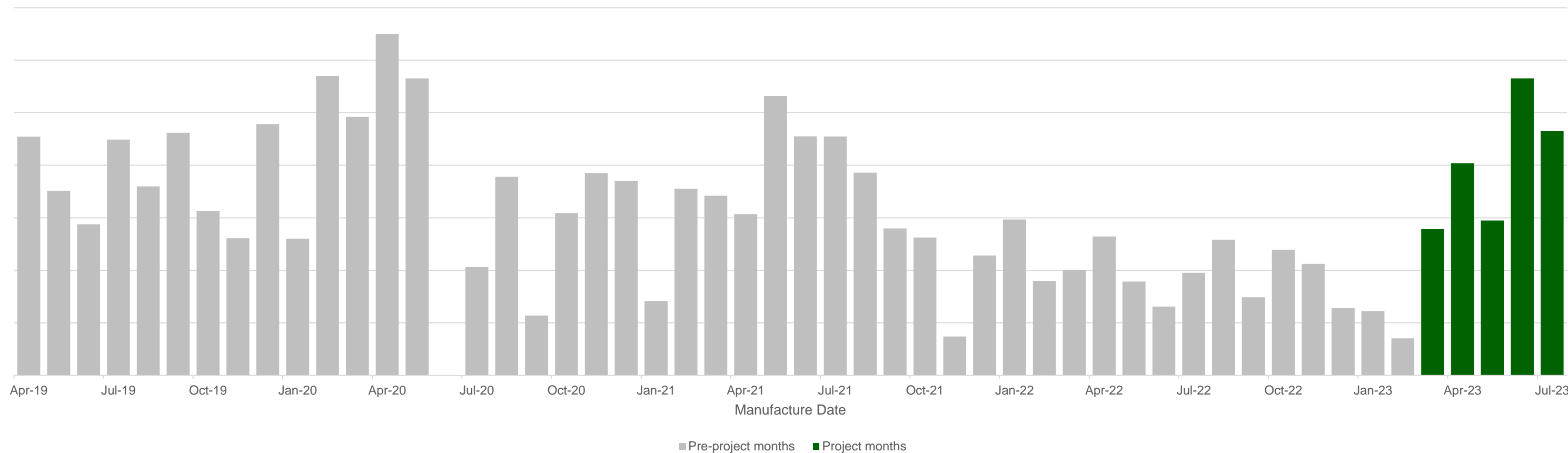
- Lower-than-expected production yields pushed the business heavily into loss
- Chartwell Consulting, a global specialist in delivering operational performance improvements in healthcare manufacturing appointed in February
- Project concluded in June
- Core skills and learning now embedded in our manufacturing teams



FoodPrint® yields

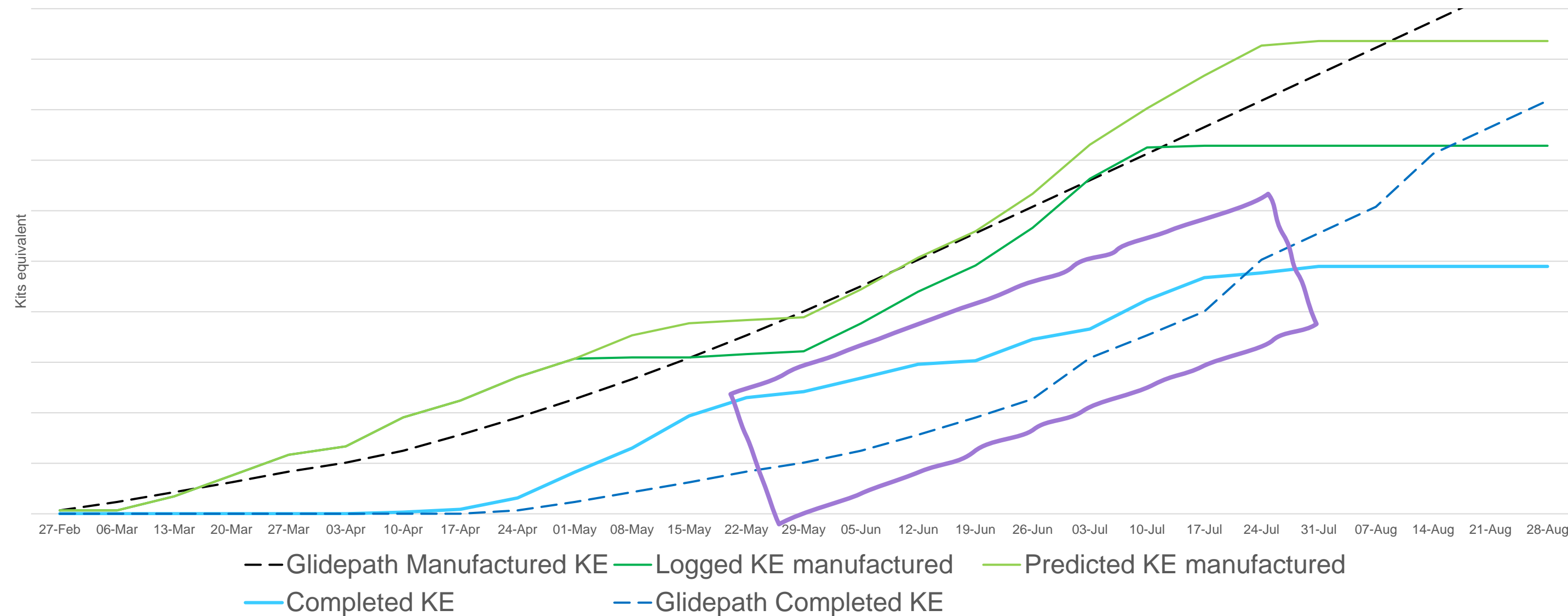
- Kit yield has been declining since April 2020, with a further dramatic decline seen from October 2022
- Chartwell Consulting were appointed in February to:
 - Recover yield to prior levels or better
 - Reduce manufacturing and QC lead times
- Yields have improved sufficient to deliver the order backlog within H1

Monthly Kit yield



FoodPrint® yield recovery path

Cumulative Progress vs Glidepath - Manufacturing



- Kit equivalent yield (solid blue line) is tracking ahead of the planned glide path (dotted blue line)

Operational efficiency - laying a new foundation

- A new manufacturing facility will be required to facilitate long term growth ambitions
- The current project has yet to be delivered by the landlord, who is unlikely to be able to do so
- Omega is now considering alternative options
- Littleport lease extended to June 2025 to provide breathing space
- New, contactless slide printing technology is being assessed – potential capex of £1.5m



Global Health Division (discontinued)



Sale of VISITECT® CD4 business – Completed 31 July 2022

- The CD4 business was sold to Accubio for a consideration of up to £6.3m including £1.3m paid up front for fixed assets and inventory and £4.0m for the intellectual property
- The £4.0m was contingent on the successful outcome of a clinical study in Kenya and was received in full in November 2022
- Trailing royalty on CD4 sales continues until 31 December 2026 – currently estimated at £50k+ pa



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 £2.5 million under a contract to manufacture COVID-19 lateral flow tests
- Mediation took place on 26 April 2023. Whilst the outcome of the mediation is subject to confidentiality constraints, the Board are increasingly confident that no payment will be made to DHSC
- The Board now intends to pursue its substantial counterclaim against DHSC

Future growth strategy



Growth Strategy



Organic

- Capitalise on increased demand for home health testing
- Maintain leadership position through scientific education programme and building awareness with healthcare practitioners
- Embrace digital technology that will empower our customers to reach and engage their patients more easily
- Marketing activities focused on digital technologies/channels and brand awareness
- Roll out of automated assay solution for high throughput lab customers



Geographic

- On-going channel optimisation addressing vacant markets and distributor upskilling
- Entry into the health-conscious and mature private health and wellbeing US market with three FoodPrint® installations planned by Q2 2023
- China represents an increasingly health-conscious market and excellent opportunity for Food Detective®



Menu

- Developing complementary tests to sell to our markets including microbiome and nutrigenomics
- Expansion of our menu of tests will allow our healthcare practitioner customers greater clinical insight into patient health status, enabling our vision of delivering personalised nutrition for better health

Organic Growth - Connecting to the Customer

View test results

Ability to interact with patients

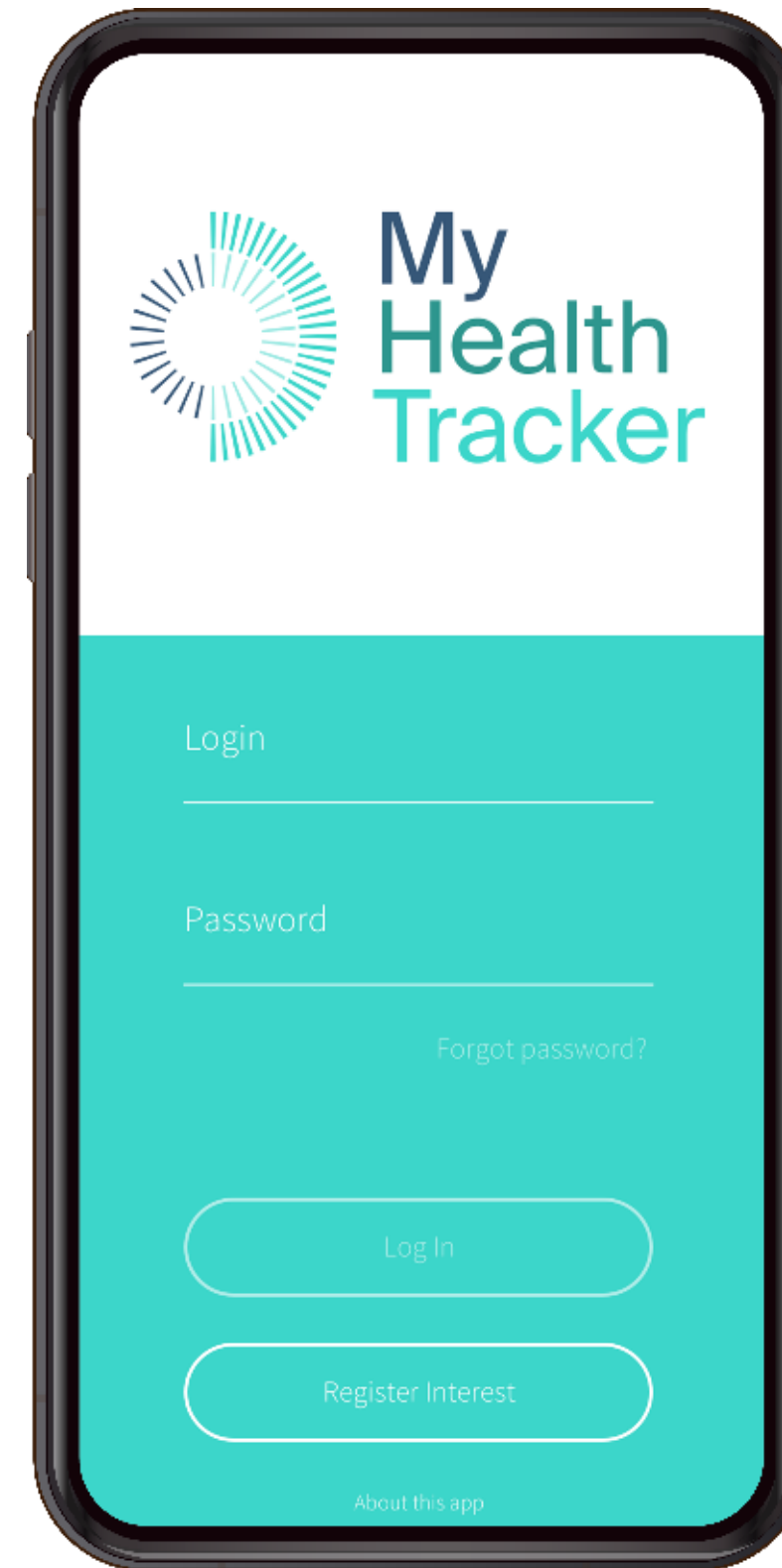
Built in CRM system

Easy view of foods to avoid/replace

Wellness Diary

First to market in our segment

Launched in March 2023



Organic Growth - Connecting to the Customer

Benefits of the Platform



Digitised results for practitioners and patients

- Increased accessibility to test results at a time that suits the user
- Easy to view and understand test results



Improved patient support and relationship with practitioner

- Information provided by the app on what foods to avoid/replace
- Practitioners can leave patient notes for better patient outcomes



Wellness diary

- Enable patients to record symptoms
- Ability to share symptoms with practitioner
- Ability to compare symptoms with dietary adherence



Better understanding of audiences through data

- Gender
- Regional symptoms
- Length of time suffering with symptoms
- Follow up capacity
- Scientific validity

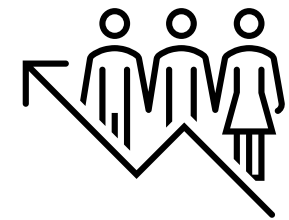
Organic Growth - Connecting to the Customer

Commercial Benefits



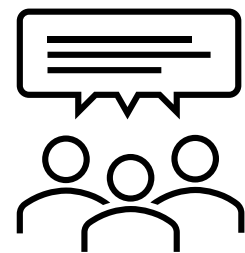
Retention of laboratories

- By offering a unique experience in comparison to other providers



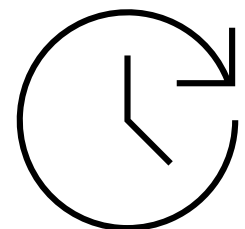
Increase in testing and expanded menu opportunities

- After six to 12-months



Improved customer experience

- Easy to use platform

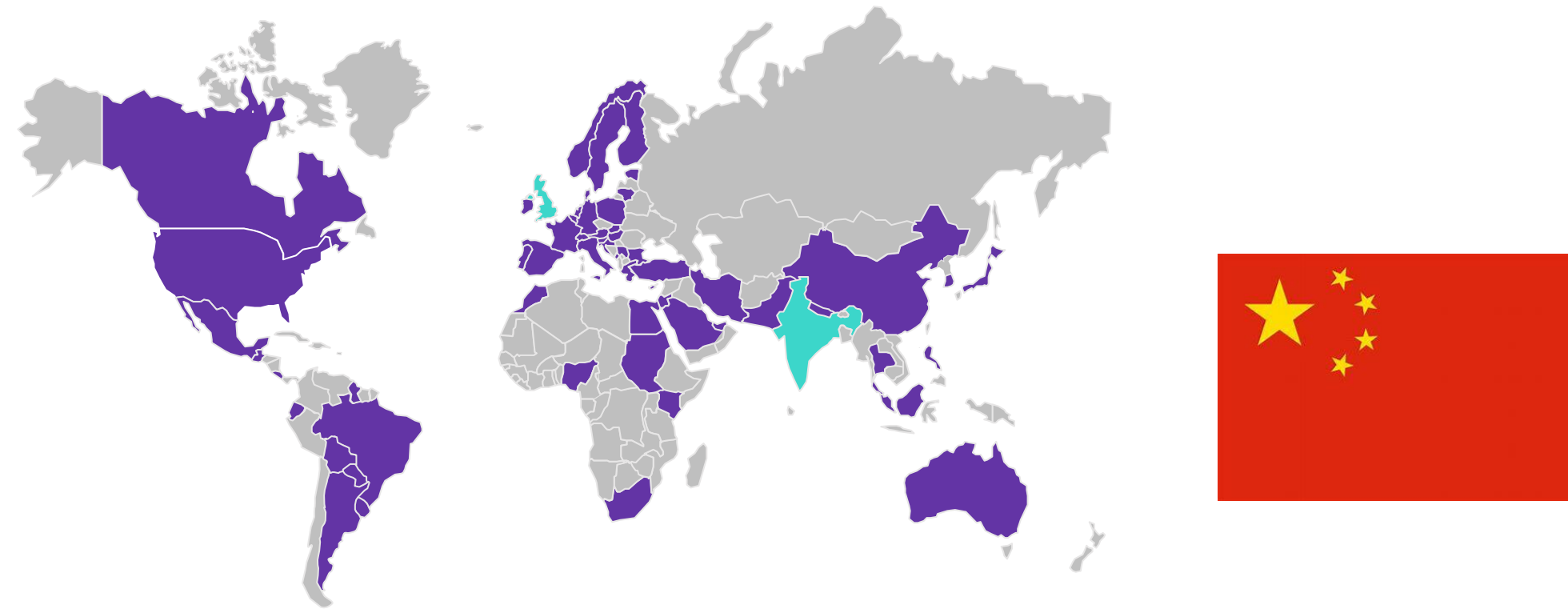


Go more direct in key markets

- Straight to laboratory
- Straight to health care professional
- Straight to healthcare consumer

Organic Growth - Geography

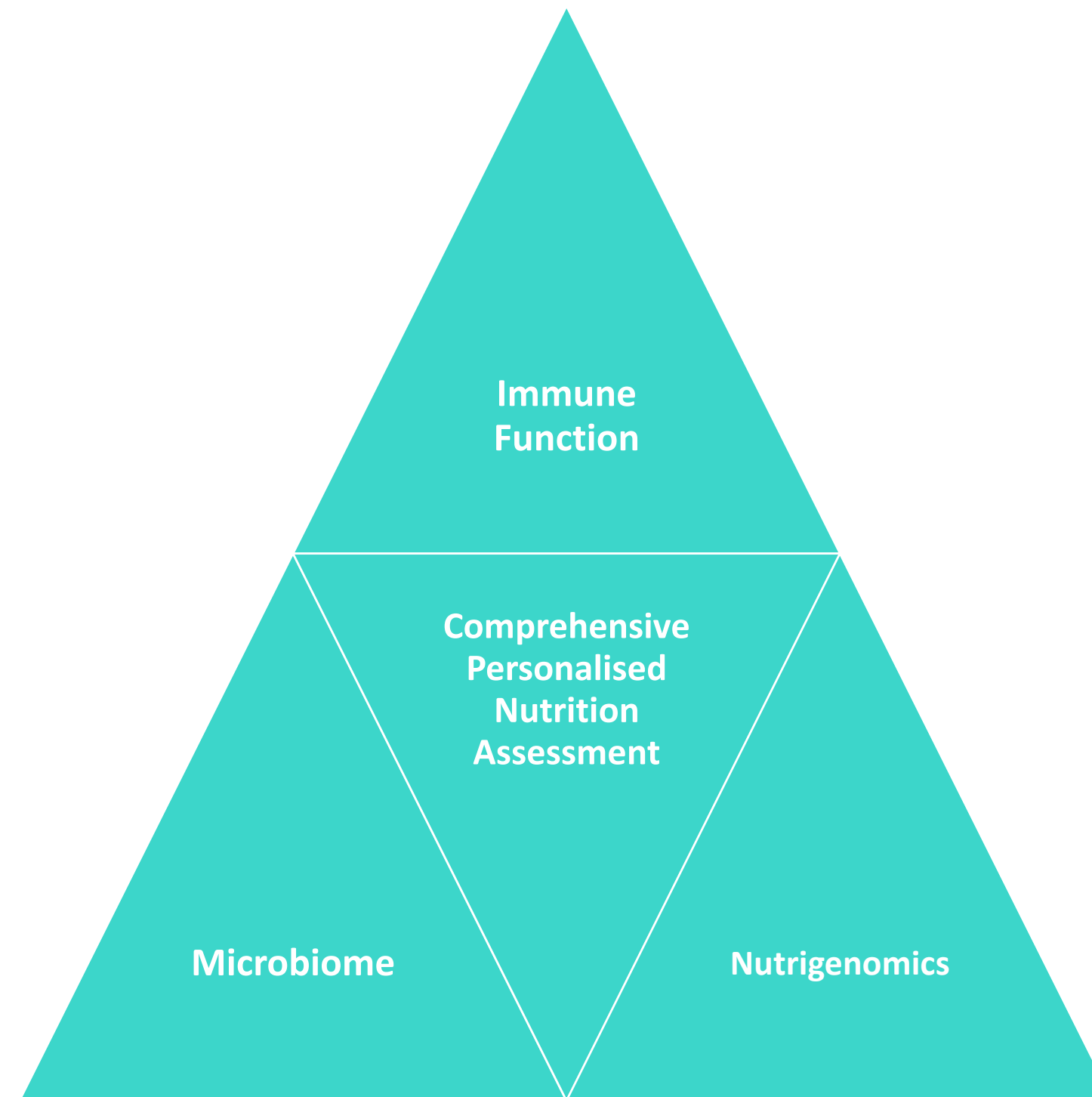
 CNSLab



- The US Food Sensitivity testing market is estimated to be the largest and most established market in the world. It is the leading market for functional medicine laboratory testing with an increasing demand for personalised medicine.
- Decided to defer full investment and address market initially through partner laboratories before establishing a more direct presence.
- Omega has already two new installations planned in the US with discussions with a third laboratory at advanced stages.
- China have re-started to order Food Detective® as the market opens back up
- Core business – 11 new FoodPrint® installations and appointed business partners in 8 new territories, taking our coverage to over 85 countries

Organic Growth - Menu Expansion – Microbiome / Nutrigenomics

- Build a wider menu of complementary gut health tests and sell through well-established channels from a market leading position
- Over recent years the gut microbiome, in particular, has been linked to a plethora of diseases and conditions, from diabetes to anxiety to obesity
- Nutrigenomics is defined as the relationship between nutrients, diet, and gene expression - allows the healthcare professional to understand genetic strengths and weaknesses making specific improvements that help achieve better health
- Heads of Terms signed with two separate providers to create unique test reports that will be commercialised in 2023
- Combining all three provide a compelling value proposition in the testing industry



Building a Foundation

Now focused exclusively on Personalised Nutrition Testing

Well capitalised business with a strong balance sheet having divested CD4 business

Building a new team and culture in Ely

Embedding new skills - improving operational efficiencies and improving the cost base

Focus on Health and Nutrition

Build on existing global leadership position in the emerging and fast-growing personalised nutrition segment

Differentiate through science and education

Grow from foundation

Target new geographies – U.S.

Build out China where reordering has commenced

Add menu to existing well established sales channels in Microbiome and Nutrigenomics

Differentiate through digital platform – HCP and patient engagement

Questions

To be kept up to date with Omega Diagnostics news and to receive relevant investor communications on the Company going forward, please email us at omega@walbrookpr.com to subscribe

